

Condensed Title:

A Resolution authorizing the assignment of the \$69,894, October 1, 2008 CDBG Agreement from MBCDC to MBCDC Meridian Place, LLC, a not for profit entity created by MBCDC.

Key Intended Outcome Supported:

Increase access to workforce or affordable housing.

Supporting Data (Surveys, Environmental Scan, etc.): Based on the 2007 Customer Satisfaction Survey, affordable housing was a concern for 82% of those surveyed.

Issue:

Shall the October 1, 2008, CDBG Agreement with MBCDC be assigned to MBCDC Meridian Place, LLC, a not for profit ownership-entity created by MBCDC as successor in interests?

Item Summary/Recommendation:

On June 16, 2008, the City Commission approved Resolution No. 2008-26852 amending the One-Year Action Plan for Federal Funds for FY 2002-03, 2003-04, 2005-06, 2006-07, and 2007-08 to reprogram CDBG funds in the amount of \$69,894 to MBCDC for renovations to the Meridian Place Apartments. MBCDC entered into a CDBG Agreement with the City, dated October 1, 2008, in the amount of \$69,894 to secure this funding allocation.

For every project MBCDC develops, a separate ownership entity is created. In the case of the Meridian Place Apartments, MBCDC Meridian Place, LLC, a Florida not for profit limited liability company, wholly owned by MBCDC, was created and is the property owner. However, the funding allocation and subsequent agreement was between the City and MBCDC, a not for profit Florida corporation, which is the sole member of MBCDC Meridian Place, LLC. Therefore, an assignment of the October 1, 2008, CDBG Agreement from MBCDC, Inc. to MBCDC Meridian Place, LLC, is necessary to ensure that the City is contracting directly with the corporate entity ultimately and directly responsible for building and managing the project.

Advisory Board Recommendation:

N/A

Financial Information:


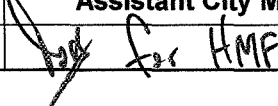

Source of Funds:		Amount	Account
<div style="border: 1px solid black; width: 50px; height: 50px; margin: 0 auto;"></div> OBPI	1	N/A	
	2		
	3		
	Total		

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Anna Parekh

Sign-Offs:

Department Director	Assistant City Manager	City Manager
		





MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: December 10, 2008

SUBJECT: **A RESOLUTION OF THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING A ONE-TIME ONLY ASSIGNMENT OF THE OCTOBER 1, 2008, CDBG AGREEMENT IN THE AMOUNT OF \$69,894 BETWEEN THE CITY AND MIAMI BEACH COMMUNITY DEVELOPMENT CORPORATION (MBCDC), TO MBCDC MERIDIAN PLACE, LLC, A NOT-FOR-PROFIT ENTITY CREATED BY MBCDC (AND WHOSE SOLE MEMBER IS MBCDC) AS A SUCCESSOR IN INTEREST IN TITLE OF THE MERIDIAN PLACE APARTMENTS, LOCATED AT 530 MERIDIAN AVENUE**

ADMINISTRATION RECOMMENDATION

Adopt the resolution.

BACKGROUND

On June 16, 2008, the City Commission approved Resolution No. 2008-26852 amending the One-Year Action Plans for Federal Funds for FY 2002-03, 2003-04, 2005-06, 2006-07, and 2007-08 to reprogram CDBG funds in the amount of \$69,894 to Miami Beach Community Development Corporation (MBCDC) for renovations to the Meridian Place Apartments. Meridian Place, located at 530 Meridian Avenue, will provide 34 units of affordable housing to income eligible elderly, formerly homeless persons. Funding was allocated for rehabilitation of the building. MBCDC consequently entered into a CDBG Agreement with the City, dated October 1, 2008, to secure the \$69,684 funding allocation.

For every project MBCDC develops, a separate ownership entity is created. In the case of the Meridian Place Apartments, MBCDC Meridian Place, LLC, a Florida not for profit limited liability company, was created to own the property. However, funding allocations were awarded to MBCDC, a not for profit Florida corporation, which is the sole member of MBCDC Meridian Place, LLC. Therefore, an assignment of the October 1, 2008, CDBG Agreement from MBCDC, Inc. to MBCDC Meridian Place, LLC, is necessary to ensure the City is contracting directly with the legal owner of the property in question.

ANALYSIS

An assignment of the October 1, 2008 Agreement from MBCDC to MBCDC Meridian Place, LLC will best protect the City since the assignment allows the City to contract directly with the legal owner of the property in question.

CONCLUSION:

The administration recommends that the Mayor and City Commission of the City of Miami Beach, Florida, authorize a one-time only assignment of the October 1, 2008, CDBG Agreement in the amount of \$69,684 between the City of Miami Beach and Miami Beach Community Development Corporation, a not for profit corporation, to MBCDC Meridian Place, LLC, a Florida limited liability company, as successor in interest in title to The Meridian Place Apartments property, located at 530 Washington Avenue, Miami Beach.

JMG/HF/AP

T:\AGENDA\2008\December 10\Consent\Meridian Assignment - MEMO (\$69,894).doc

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING A ONE-TIME ONLY ASSIGNMENT OF THE OCTOBER 1, 2008, CDBG AGREEMENT IN THE AMOUNT OF \$69,894 BETWEEN THE CITY AND MIAMI BEACH COMMUNITY DEVELOPMENT CORPORATION (MBCDC) TO MBCDC MERIDIAN PLACE, LLC, A NOT FOR PROFIT ENTITY CREATED BY MBCDC (AND WHOSE SOLE MEMBER IS MBCDC) AS A SUCCESSOR IN INTEREST IN TITLE OF THE MERIDIAN PLACE APARTMENTS, LOCATED AT 530 MERIDIAN AVENUE.

WHEREAS, the City receives Community Development Block Grant (CDBG) Program entitlement grants from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the primary objective of the CDBG Program is the development of viable urban communities, including decent housing and a suitable living environment and expanding economic opportunities principally for persons of low and moderate income; and

WHEREAS, on June 16, 2008, the City Commission approved Resolution No. 2008-26852 amending the One-Year Action Plans for Federal Funds for FY 2002-03, 2003-04, 2005-06, 2006-07, and 2007-08 to reprogram CDBG funds in the amount of \$69,894 to MBCDC for renovations to the Meridian Place Apartments; and

WHEREAS, MBCDC entered into a CDBG Agreement with the City, dated October 1, 2008 in the amount of \$69,894 to secure the funding allocation for the Meridian Place Apartments renovation; and

WHEREAS, MBCDC has subsequently created a not for profit entity, MBCDC Meridian Place, LLC, which is the successor in interest to MBCDC and has assumed all interests and title to the Meridian Place Apartments; and

WHEREAS, MBCDC is the sole member of MBCDC Meridian Place, LLC; and

WHEREAS, an assignment of the October 1, 2008 Agreement from MBCDC to MBCDC Meridian Place, LLC will best protect the City since the assignment enables the City to contract directly with the legal owner of the property in question.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve a one-time only assignment of the October 1, 2008 CDBG Agreement in the amount of \$69,894 between the City and the Miami Beach Community Development Corporation (MBCDC), dated October 1, 2008, to MBCDC Meridian Place, LLC, a not-for-profit entity created by MBCDC (and whose sole member is MBCDC) as a successor in interest in title to the Meridian Place Apartments, located at 530 Meridian Avenue.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2008.

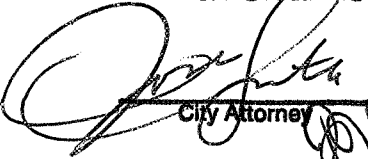
ATTEST:

CITY CLERK

MAYOR

T:\AGENDA\2008\December 10\Consent\Meridian Assignment - RESO (\$69,894).doc

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney

12/4/08

Date